

Program A: Administration

Program Authorization: R.S. 36:101 et. Seq.; R.S. 51:2386 et. seq; R.S. 36:4(Q); R.S. 36:109(C); R.S. 51:1751et seq; R.S. 51:935; R.S.51:2331 et seq; R.S. 51:2312.1

PROGRAM DESCRIPTION

The mission of the Administration Program is to develop and implement policies/programs designed to promote growth opportunities for business, facilitate meaningful employment opportunities to Louisiana citizens and market the state as a location for business and industry.

The goals of the Administration Program are:

1. Provide timely, accurate and high quality information and services to internal and external clients.
2. Develop Human Resources to meet the continuing demands of DED programs/policies.
3. Improve internal communications to promote greater understanding of the Office of Management and Finance services/activities.
4. Strengthen management skills of certified small and emerging businesses to enable them to stabilize and grow.
5. Assist Louisiana companies to become more globally competitive, create stronger research/development initiatives and foster the development and expansion of federal technologies available for commercialization through the science and technology activity.
6. Execute, manage and monitor employer assistance programs to encourage location, expansion and stabilization of job creating entities in Louisiana.
7. Provide timely and accurate response to legal needs of the Department.

The Administration Program Includes the following activities:

Executive Administration – develops and implements policies/programs designed to promote growth opportunities for business, facilitate meaningful opportunities to Louisiana citizens and market the State as a location for business and industry.

Legal Division – provides legal services and advice on regulatory matters to all DED divisions.

Office of Management and Finance – Ensures that all programs in the Department of Economic Development are provided support services to accomplish all of their program objectives annually.

Office of Policy and Research – provides accurate, up-to-date information that supports the mission of the Department.

Small and Emerging Business Development – develops and implements policies and programs designed to help Small and Emerging businesses to help themselves, by providing sources of management, technical and financial assistance.

Louisiana Economic Development Council – The Louisiana Economic Development Council, chaired by the Governor and composed of his twenty appointees, was responsible for the creation of the Vision 2020 plan for Louisiana progress over a twenty year period. The Council is now charged with the implementation of the goals and objectives of that plan in order to make Louisiana a better place to live, work and conduct business. In addition, the Vision 2020 plan has been distributed to all the state agencies, which are to incorporate its goals and objectives into their operational plans where possible.

Policy, Planning and Technology – is responsible for the overall development and management of the Department's strategic/operational planning activities, coordination of DED's legislative activities, planning and implementation of DED's science and technology programs and represents DED in specific projects for Louisiana's institutions of higher learning. This office also serves as the direct link between the Economic Development Council and DED.

Economic Development Award Program, - provides funding for infrastructure improvements necessary to support a new industrial project or an expansion of an existing facility. The program provides the necessary infrastructure to support industrial and distribution projects at no cost to the company. The program is available to manufacturing and distribution facilities. The improvements must be directly related to a specific new project or expansion.

Workforce Development and Training – develops additional human resources to meet the present and future workforce needs of the state.

UNO/Avondale – U.S. Navy Information Technology Center Status Report:

Phase 1 of the U.S. Navy Information Technology Center was completed in March 1999, at a cost of \$24 million. This phase of construction included the completion of two buildings to house 1,000 employees.

Phase 2 of the project at a cost of \$25 million began in March 1999, and is currently under construction. This phase of the project includes a third building and a 1,500 space parking garage. This project is currently in the fourth and final year of funding.

Phase 3 of the project is currently in the developmental stages. The approximate cost of this phase of construction is \$12 million. Phase 3 includes the construction of a fourth building. This project is currently in the third year of a four-year contract.

New Developments – On October 1, 2000, the Navy Information Technology Center became part of the Space and Naval Warfare Systems Command, the high-tech arm of the Navy that develops, buys and maintains combat and surveillance information systems to support the fleet worldwide. Under the new command, the center is now in the mainstream with an institutional home within the Department of Defense. The transfer from the Naval Reserve is expected to bring an increased opportunity for workload. The center's mission remains unchanged, continuing to develop personnel and payroll technology for the Navy and Naval Reserves, and ultimately the entire U.S. military. The center also troubleshoots military information glitches worldwide.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2001-2002. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

1. (KEY) The Louisiana Technology Transfer Office (LTTO) will process 250 technology requests for technology transfer between Louisiana private sector companies and federal government agencies.

Strategic Link: This objective ties to the Office of the Secretary Strategic Plan Objective V: *To increase technology transfer between the federal government and Louisiana private sector companies annually.*

Louisiana: Vision 2020 Link: Supports Goal 2, which calls for an economy driven by technology-intensive industries.

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: Technology Transfers are executed in conjunction with a Cooperative Endeavor Agreement with Louisiana State University, College of Business, Technology Utilization Office, LSU-Baton Rouge.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD	ACTUAL YEAREND PERFORMANCE	ACT 11 PERFORMANCE STANDARD	EXISTING PERFORMANCE STANDARD	AT CONTINUATION BUDGET LEVEL	AT RECOMMENDED BUDGET LEVEL
		FY 1999-2000	FY 1999-2000	FY 2000-2001	FY 2000-2001	FY 2001-2002	FY 2001-2002
K	Number of technology requests processed ¹	225	230	225	225	24 ⁴	250
K	Number of technologies licensed by Louisiana companies from federal agencies ²	Not applicable ³	Not available ³	4	4	0 ⁴	5

¹ Requests for technology assistance are received through the LTTO website, company visits or telephone calls to the LTTO office staff. These requests are responded to by way of a technical request form which is available in hard copy or on the website. This includes requests from outreach type of activities, such as trade shows, presentations, seminars, etc.

² Technology transfer involves a technology that the federal agency has developed and patented, and the Louisiana company seeks to have exclusive rights to use that technology from the federal agency. This transfer requires a legal document/process similar to licensing a technology from a university.

³ This was a new indicator added for FY 2000-2001; therefore the indicator has no yearend performance standard for FY 1999-2000. This indicator was not tracked prior to its inclusion in FY 2000-2001.

⁴ Expected performance if additional requested funding does not materialize.

2. (KEY) To assist small/medium sized tech-oriented businesses in Louisiana with available federal funds for commercialization of federal technology.

Strategic Link: This objective ties to the Office of the Secretary Strategic Plan Objective V: *To increase technology transfer between the federal government and Louisiana private sector companies annually.*

Louisiana: Vision 2020 Link: Supports Goal 2, which calls for an economy driven by technology-intensive industries.

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: The Small Business and Innovative Research Grant (SBIR) activity is through a Cooperative Endeavor Agreement with Louisiana State University through the Louisiana Technology Transfer Office (LTTO).

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Number of Small Business Innovative Research (SBIR) grants approved	18	27	18	18	2	30
S	Time assisting small companies with SBIR grants (in hours)	600	610	600	600	96 ^{1,2}	700

¹ The agency has a new and expanded request that if funded will allow for additional performance (700).

² Expected performance if additional funding requested does not materialize.

3. (KEY) Through the Executive Administration activity, to assist 27 small tech-based businesses in obtaining seed capital to market their new products.

Strategic Link: This objective ties to the Office of the Secretary Strategic Plan Objective V: *To increase technology transfer between the federal government and Louisiana private sector companies annually.*

Louisiana: Vision 2020 Link: Supports Goal 2, which calls for an economy driven by technology-intensive industries.

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: Cooperative endeavor agreement with the Louisiana Partnership for Technology and Innovation.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Total number of start-up companies provided specific assistance ¹	36 ¹	40 ¹	36 ¹	36 ²	30 ²	27
K	Number of start-up companies connected to seed/venture capital providers	12	12 ³	12	12 ²	6 ²	5
K	Number of existing or newly identified technology businesses emerging from Louisiana institutions of higher learning that received assistance	3	0 ⁴	2	2	3	2

¹ This figure includes companies receiving both short-term and long-term marketing and management assistance.

² The contract was modified to provide short-term assistance to fewer companies (18) and long-term assistance to more companies (12), for a total of 30 companies. The performance indicators were modified in the 2000-2001 cooperative endeavor agreement with the Louisiana Partnership for Technology and Innovation in order to add an additional task. This new task is to provide assistance in initiatives related to any of the Vision 2020 seed clusters (biomedical/medical, environmental technology, food technology, advanced materials, IT/software, and micro manufacturing). Such initiatives are designed to increase the formation, growth, and competitiveness of Louisiana technology-based companies. There are no performance indicators defined for this additional task. The Partnership budget remained the same as the year before; therefore, an adjustment was made in the scope of services to reduce the required number of companies to be assisted in order to accommodate the new, additional task of Vision 2020 support. When working with the Vision 2020 seed cluster groups, the Partnership will actually be assisting more companies than in the previous year with the same budget.

DED will monitor work in the new task through the monitoring plan included in the contract.

³ The FY 1999-2000 yearend actual was reported incorrectly in LaPAS as 3. The figure should have been cumulative figure comprised of 3 companies per quarter, totaling 12 for the year.

⁴ This number was reported incorrectly in LaPAS as 0. The figure should have been a cumulative figure comprised of 2 companies in Quarter 1, 1 company in Quarter 2, 0 in Quarter 3 and Quarter 4, totaling 3 companies for the year.

4.(KEY) Through the Office of Policy and Research activity, to support the state's economic development marketing activities by responding to 3,000 requests for economic development information.

Strategic Link: This objective ties to Office of Policy and Research Strategic Plan Objective: *To respond to 15,000 inquiries by 2003.*

Louisiana: Vision 2020 Link: Supports Goal 1 , under which knowledge is used to improve the competitiveness of business and the efficiency of government

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE	ACTUAL YEAREND	ACT 11 PERFORMANCE	EXISTING PERFORMANCE	AT CONTINUATION	AT RECOMMENDED
		STANDARD	PERFORMANCE	STANDARD	STANDARD	BUDGET LEVEL	BUDGET LEVEL
		FY 1999-2000	FY 1999-2000	FY 2000-2001	FY 2000-2001	FY 2001-2002	FY 2001-2002
K	Number of requests answered annually	1,500	3,689 ¹	3,000 ¹	3,000 ¹	3,000 ¹	3,000
K	Number of businesses assisted	300	831	600	600	600	600
K	Average response time (in days)	2.2	2.2	2.2	2.2	2.2	0.5 ²

¹ The DED Strategic Plan calls for 7,500 requests to be answered by June 30, 2003. However, that number was surpassed at the end of FY 1999-2000. Adjustments to the Strategic Plan might be called for, in light of his higher than expected performance.

² OPR has revised its estimate of the length of time it takes to respond to inquiries, based on new tracking methods in FY 2000-2001.

GENERAL PERFORMANCE INFORMATION: NUMBER OF BUSINESSES EXITING THE SMALL AND EMERGING BUSINESS PROGRAM					
PERFORMANCE INDICATOR	PRIOR YEAR ACTUAL FY 1995-96	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00
Number of certified businesses exiting program	Not available	Not available	7	8	Not available ¹

¹ The 2000 2nd Extraordinary Session of the Legislature cut personnel in the Small and Emerging Business Program by 54.5%. This action left SEBD without a representative for the Shreveport/Monroe area. Therefore, the prior year actual data for the "number of certified businesses exiting the program" is not available at this time, due to inconclusive data. Surveys will be mailed from SEBD to collect this and other data relative to activities of businesses certified in this program.

5. (KEY) Through the Small and Emerging Business Development activity, to provide resources for management and technical assistance to certify 50 applicants.

Strategic Link: This objective ties to the Small and Emerging Business Development activity Strategic Plan Objective III.1: *To provide resources for management and technical assistance to 400 small and emerging businesses by June 30, 2003.*

Louisiana: Vision 2020 Link: Supports the philosophy of Vision 2020 for government to foster private enterprise development

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: The Small and Emerging Business Development Activity was previously referred to as the Economically Disadvantaged Business Activity. Act 431 of 1999 established the Louisiana Small and Emerging Business Act which subsequently changed the name of the Economically Disadvantaged Business Activity to the Small and Emerging Business Development Activity.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND	ACTUAL	ACT 11	EXISTING	AT	AT
		PERFORMANCE	YEAREND	PERFORMANCE	PERFORMANCE	CONTINUATION	RECOMMENDED
		STANDARD	PERFORMANCE	STANDARD	STANDARD	BUDGET LEVEL	BUDGET LEVEL
		FY 1999-2000	FY 1999-2000	FY 2000-2001	FY 2000-2001	FY 2001-2002	FY 2001-2002
K	Number of applicants certified	100	124	80	50 ¹	5 ³	50
S	Number of applications generated	120	130	100	55 ¹	10 ³	55
K	Number of certified small and emerging businesses provided specific assistance	115	170	115	60 ¹	0 ³	60
S	Average length of time to certify a business with a completed application (in days)	Not applicable ²	Not available	30	45 ¹	15 ³	45

¹ Indicators reduced by August 15 adjustment, due to a 54.5% reduction as authorized by the 2000 2nd Extraordinary Session of the Legislature.

² This was a new indicator added for FY 2000-2001; therefore the indicator has no yearend performance standard for FY 1999-2000.

³ If funding is not provided for the technical assistance activity, fewer businesses will be interested in obtaining certification.

6. (KEY) Through the Small and Emerging Business Development activity, to provide monitoring to 50 certified Small and Emerging Businesses.

Strategic Link: This objective ties to the Small and Emerging Business Development activity Strategic Plan Objective III.1, to provide resources for management and technical assistance to 400 small and emerging businesses by June 30, 2003.

Louisiana: Vision 2020 Link: Supports the philosophy of Vision 2020 for government to foster private enterprise development.

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Number of certified small and emerging businesses provided monitoring	50	193 ¹	50 ²	50 ²	5 ⁶	50
K	Customer satisfaction rating	Not applicable ³	Not available ⁴	70%	70%	10% ⁶	70%
S	Average technical assistance dollars provided per client	Not applicable ³	Not available ⁴	\$3,746	\$5,000 ⁵	\$0 ⁶	\$5,000

¹ Full staffing during FY 1999-2000 allowed more businesses to be monitored plus the estimates of the "number of businesses provided monitoring" were conservative because this was a new indicator at that time.

² Staffing has been reduced by 54% since the end of the FY 1999-2000, therefore the originally conservative estimate is being retained for the current year and next year.

³ This was a new performance indicator added for FY 2000-2001; therefore it has no FY 1999-2000 performance standard.

⁴ No performance data were tracked or reported for this indicator before FY 2000-2001.

⁵ Existing Performance Standard was revised via an August 15th adjustment, due to 54.5% authorized reduction in staff by the 2000 2nd Extraordinary Session of the Legislature. The increase in "Average technical assistance dollars provided per client" is due to a higher dollar amount of assistance that will be provided to fewer businesses. Fewer businesses will be serviced because of the staff reduction.

⁶ If funding is not provided for the technical assistance activity, fewer businesses will be interested in obtaining certification.

7. (KEY) Through the Small and Emerging Business Development activity, to provide 5 bond guarantees.

Strategic Link: This operational objective ties to Small and Emerging Business Development activity Strategic Plan Objective III.1: *To provide resources for management and technical assistance to 400 small and emerging businesses by June 30, 2003.*

Louisiana: Vision 2020 Link: Supports the philosophy of Vision 2020 for government to foster private enterprise development.

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Number of bond guarantees provided	10	24 ¹	5	5	5	5
K	Bond guarantees provided	\$2,000,000 ²	\$1,150,531	\$500,000 ²	\$500,000 ²	\$500,000 ²	\$500,000
K	Total amount of projects bonded	\$10,000,000	\$5,666,269 ¹	\$2,000,000 ³	\$2,000,000 ³	\$2,000,000 ³	\$2,000,000
S	Bond guarantee participation rate ⁴	Not applicable ⁵	25%	25%	25%	25%	25%

¹ More numerous yet smaller projects were funded because of a reduction in available funding.

² The \$2 million expressed in the standard represents the state appropriation that established the Small Business Fund. These funds are used to provide the guarantees on bonds issued by surety companies. For FY 2000-2001, the continuation and recommended level figures were modified to reflect the amount of useable dollars in the Small Business Bond fund, rather than the appropriation used to establish the fund.

³ Less money is available for guarantees, thus reducing the total dollar amount of projects bonded.

⁴ The bond guarantee participation rate is the amount of funds that the state has to put up by way of a guarantee in order to get a surety to issue a bond on a project. Under this program, the rate of participation by the state is 25% or \$200,000 whichever is less.

⁵ This was a new indicator added for FY 2000-2001; therefore the indicator has no yearend performance standard for FY 1999-2000.

8.(KEY) Through the Workforce Development Training activity, to provide customized workforce training for 15 business projects.

Strategic Link: This operational objective supports the DED Strategic Plan Goal VI: *To execute, manage, and monitor employer assistance programs to encourage location, expansion and stabilization of job creation.*

Louisiana: Vision 2020 Link: Supports Goal 1 Objective 1.7, which relates to assisting the business community in education of its employees.

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: A supplementary recommendation of \$6.5 million in Workforce Development and Training Funds is contingent upon the renewal of the .4% Vendor's Compensation Sales Tax (R.S. 47:306 and R.S. 47:318) that goes to the Department of Economic Development.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Number of training contracts approved ¹	40	4 ^{2,4}	20	20	15 ²	15
K	Number of workers trained	4,500	1,675 ^{2,4}	6,500	6,500	4,875 ²	4,875
K	New capital investment	Not applicable ³	\$112,277,161	\$400,000,000	\$400,000,000	\$300,000,000 ²	\$300,000,000
S	Number of companies in compliance with progress reports	Not applicable ³	31 ⁵	50	50	50	50

¹ In FY 1999-2000, the indicator was formerly reported as the "Number of training contracts".

² New criteria imposed on the program limits the type of application eligible under the DED Workforce program to companies moving into Louisiana from out-of-state, to Louisiana companies expanding to a new location in-state, and to companies operating in Louisiana less than three years, thus affecting the expected total number of contracts.

³ This is a new indicator added for FY 2000-2001; therefore the indicator has no yearend standard for FY 1999-2000.

⁴ Total contracts is actually 6, and total number of workers trained is 1,858. These are the cumulative totals for 1999-2000. The numbers reported as actual yearend performance was only 3rd quarter performance. There were no 4th quarter contracts approved.

⁵ Any contract that was active at anytime during the period from July 1, 1999 to June 30, 2000 that was in compliance with the progress reporting was counted.

GENERAL PERFORMANCE INFORMATION: ECONOMIC DEVELOPMENT AWARDS PROGRAM

PERFORMANCE INDICATOR	PRIOR YEAR ACTUAL FY 1995-96	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99	PRIOR YEAR ACTUAL FY 1999-00
Number of projects awarded	Not available	6	14	12	12
Number of jobs created	Not available	457	1,364	1,062	1,473
Private investment (in millions)	Not available	\$18	\$537	\$46.3	\$94.9
New payroll of projects funded	Not available	\$9,929,139	\$42,977,725	\$30,647,510	\$27,261,800
State economic benefit based on new payroll of projects funded	Not available	\$595,748	\$2,578,663	\$1,838,850	\$1,635,708

Explanatory Note: In FY 1999-2000, \$4.1 million dollars was made available in the Capital Outlay Act, and \$400,000 was appropriated in the General Appropriation via BA-7 from interest earnings in the Economic Development Award Fund. In FY 2000-2001, a \$5,000,000 appropriation was provided in the General Appropriation Bill contingent upon funds available from the Louisiana Public Facilities Authority, and until such time as recognized by the 2000-2001 Revenue Estimating Conference. However, these funds did not materialize. For FY 2000-2001, \$1,114,000 was appropriated via a BA-7 from interest earnings and \$990,000, which were unobligated in FY 1999-2000 Capital Outlay Funds. The funds are considered non-recurring, and therefore no performance indicators are reflected for FY 2001-2002.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1999- 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$20,952,391	\$19,419,956	\$19,528,855	\$13,481,002	\$21,469,920	\$1,941,065
STATE GENERAL FUND BY:						
Interagency Transfers	1,129,112	1,489,774	1,489,774	1,513,796	1,289,823	(199,951)
Fees & Self-gen. Revenues	3,379	3,379	3,379	3,379	3,379	0
Statutory Dedications	8,635,947	9,648,059	17,897,160	3,148,059	14,648,059	(3,249,101)
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	10,030	100,000	100,000	100,000	100,000	0
TOTAL MEANS OF FINANCING	\$30,730,859	\$30,661,168	\$39,019,168	\$18,246,236	\$37,511,181	(\$1,507,987)
EXPENDITURES & REQUEST:						
Salaries	\$2,943,487	\$3,032,223	\$2,937,343	\$3,013,804	\$2,500,068	(\$437,275)
Other Compensation	135,990	73,022	73,022	73,022	73,022	0
Related Benefits	492,531	595,571	580,135	590,738	504,866	(75,269)
Total Operating Expenses	998,446	1,042,615	1,108,615	1,144,514	1,050,606	(58,009)
Professional Services	188,798	252,136	263,331	266,598	263,331	0
Total Other Charges	25,931,661	25,622,798	34,013,919	13,157,560	33,119,288	(894,631)
Total Acq. & Major Repairs	39,946	42,803	42,803	0	0	(42,803)
TOTAL EXPENDITURES AND REQUEST	\$30,730,859	\$30,661,168	\$39,019,168	\$18,246,236	\$37,511,181	(\$1,507,987)
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	77	63	63	63	53	(10)
Unclassified	5	5	5	5	5	0
TOTAL	82	68	68	68	58	(10)

SOURCE OF FUNDING

The sources of funding for this program are from the General Fund, Interagency Transfers, and Fees and Self-generated Revenues, Statutory Dedications and Federal funds. Interagency Transfers include funds from the Office of Commerce and Industry, Louisiana State Racing Commission, the Office of Financial Institutions, the Louisiana Board of Cosmetology, and the Louisiana Economic Development Corporation; these agencies, all within the Department of Economic Development, provide Interagency Transfers for fiscal, human resources, purchasing, information systems and legal support services through the Office of the Secretary - Administration Program. The Fees and Self-generated Revenues are reimbursements for fiscal support services provided in conjunction with the sale of the Directory of Louisiana Manufacturers. Statutory Dedications are derived from 1) the Vendors' Compensation collections for the Workforce Development and Training Fund to provide funding for customized and specialized training programs to existing and prospective Louisiana businesses, and for a Marketing Education grant to support and promote entrepreneurship in public schools 2) the La. Economic Development Fund, based upon Act 1306 of the 1997 Legislative Session, 3) the

Small Business Surety Bonding Fund will be used to provide financial assistance to small businesses to mitigate the gap in the state bond surety bond-market, and the Marketing Fund created by Act 50 of 1998 for marketing education. (Per R.S.39:32B.(8), see table below for a listing of expenditures out of each statutory dedicated fund). Federal Funds are provided from a grant to support the implementation of the statewide economic development strategic plan of the Louisiana Economic Development Council.

	ACTUAL	ACT 11	EXISTING	CONTINUATION	RECOMMENDED	RECOMMENDED
	1999- 2000	2000 - 2001	2000 - 2001	2001 - 2002	2001 - 2002	OVER/(UNDER) EXISTING
Workforce Development and Training Fund	\$2,192,242	\$6,500,000	\$9,804,791	\$0	\$6,500,000	(\$3,304,791)
Economic Development Award Fund	\$4,348,353	\$0	\$4,944,310	\$0	\$5,000,000	\$55,690
Small Business Surety Bonding Fund	\$978,032	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$0
Marketing Fund	\$1,117,320	\$1,148,059	\$1,148,059	\$1,148,059	\$1,148,059	\$0
0						

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$19,419,956	\$30,661,168	68	ACT 11 FISCAL YEAR 2000-2001
			BA-7 TRANSACTIONS:
\$108,899	\$7,244,000		Admin. Prog. - CarryForward - Other Charges for seven (7) Infrastructure construction projects requiring more than 12 months to plan and construct. \$3,830,310 in Statutory Dedications – Economic Development Award Fund. \$2,300,000 Town of Colfax/Ditto Apparel of California, Inc. ; \$600,000 Madison Parish/Delta Southern Railroad; \$306,297 Terrebonne Parish Government/Motivatit Seafood; \$225,861 Iberia Parish/Newpark Resources; \$191,702 City of West Monroe/Voith Sulzer/Field Container; \$122,250 Madison Parish Port/Avondale Industries; \$94,630 Greater Baton Rouge Port Commission. Other Charges to develop and provide customized workforce training programs to existing and prospective Louisiana businesses. 35 projects ranging from \$903.19 to \$500,000. \$3,652,581 in Statutory Dedications – Workforce Development Fund. Other Charges for the City of Monroe to develop and provide customized workforce training programs to existing and prospective Louisiana businesses. \$98,000 in General Funds.
\$0	\$1,114,000		Increase Statutory Dedications – Economic Development Award Fund via \$510,680 Terminated projects from 1999-2000; \$314,821 Unappropriated Revenue from 1999-2000; \$288,940 Additional Projected Revenue Earnings for 2000-2001. These funds would be used for 4-5 applications for Economic Development Award Program projects. These funds are for the financing of publicly owned infrastructure for industrial or business development projects that promote economic development. This program is tied to creation and/or retention of jobs.
\$19,528,855	\$39,019,168	68	EXISTING OPERATING BUDGET – December 15, 2000
\$32,145	\$54,275	0	Annualization of FY 2000-2001 Classified State Employees Merit Increase
\$32,789	\$32,789	0	Classified State Employees Merit Increases for FY 2001-2002

\$5,911	\$5,911	0	Risk Management Adjustment
(\$42,803)	(\$42,803)	0	Non-Recurring Acquisitions & Major Repairs
(\$108,899)	(\$7,244,000)	0	Non-Recurring Carry Forwards
\$1,157	\$1,157	0	Legislative Auditor Fees
\$380	\$380	0	UPS Fees
(\$36,566)	(\$60,943)	(1)	Attrition Adjustment
(\$352,592)	(\$352,592)	(4)	Personnel Reductions
(\$4,195)	(\$4,195)	0	Civil Service Fees
\$1,310	\$1,310	0	State Treasury Fees
\$0	(\$1,114,000)	0	Secretary - Admin. - Non-recur funding for five (5) Economic Development Award Program projects. These projects are for the financing of publicly owned infrastructure for industrial or business development projects that promote economic development. These projects are tied to the creation and/or retention of jobs.
(\$6,000,000)	(\$6,000,000)	0	Secretary - Admin. - Non-recur the 4th and final year of the UNO (University of New Orleans)/Navy Phase 1 project. This four (4) year \$24 million project constructed two (2) buildings for the new Information Systems for Navy Military Human Resources' records. This project created 1,000 permanent jobs
(\$52,572)	(\$52,572)	0	Secretary - Admin. - Reduction in Operating Services, specifically rent and telephones.
(\$35,000)	(\$35,000)	0	Administration - Reduction to La. Partnership for Technology, leaving \$315,000
\$0	(\$80,661)	(3)	Administration - Support Services for the Office of Financial Institutions - OFI will provide services in-house
\$0	(\$117,043)	(2)	Administration - Supports Services for the Louisiana State Board of Cosmetology - Cosmetology will provide services in-house
\$200,000	\$200,000	0	Administration - La. Technology Transfer Office
\$0	\$5,000,000	0	Administration - Funding for EDAP (Economic Development Award Program) for Information Technology Projects
\$5,800,000	\$5,800,000	0	Administration - La. Technology Park and Solid Systems Incorporated
\$1,500,000	\$1,500,000	0	Sec. - Admin - City of Bogalusa for the Service Zone customer technical support center project. These funds will reimburse 50% of the estimated building cost. The company is anticipated to provide 300 jobs within the first two years of operation.
\$1,000,000	\$1,000,000	0	Sec. - Admin - SuperBowl XXXVI, which will be held January 27, 2002.
\$21,469,920	\$37,511,181	58	TOTAL RECOMMENDED
\$0	(\$7,428,962)	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$21,469,920	\$30,082,219	58	BASE EXECUTIVE BUDGET FISCAL YEAR 2001-2002
SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:			
A supplementary recommendation of \$7,428,962 in Statutory Dedications support is included in the Total Recommended for this program. It represents \$6,500,000 in Workforce Development and Training Funds, and \$928,962 in Marketing Funds. These items are contingent upon renewal of the .4% Vendor's Compensation Sales Tax (R.S. 47:306 and 47:318) that currently goes to			
\$0	\$7,428,962	0	Economic Development.
\$0	\$7,428,962	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE

\$21,469,920 \$37,511,181 58 GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 96.1% of the existing operating budget. It represents 96.1% of the total request (\$39,019,168) for this program. The major changes reflected in the analysis of recommendation include: Decreased funding of -\$35,000 for La. Partnership for Technology, which will leave \$315,000 for economic development. Decreased funding of -\$60,943 for attrition, including the reduction of one (1) position. Decreased funding of \$3,830,310 for carry forward of seven (7) Infrastructure construction projects requiring more than 12 months to plan and construct. The project were as follows: \$2,300,000 Town of Colfax/Ditto Apparel of California, Inc. ; \$600,000 Madison Parish/Delta Southern Railroad; \$306,297 Terrebonne Parish Government/Motivatit Seafood; \$225,861 Iberia Parish/Newpark Resources; \$191,702 City of West Monroe/Voith Sulzer/Field Container; \$122,250 Madison Parish Port/Avondale Industries; \$94,630 Greater Baton Rouge Port Commission. Decreased funding of \$3,652,581 for 35 non-recurring projects to develop and provide customized workforce training programs to existing and prospective Louisiana businesses. These projects spent from \$903.19 to \$500,000. Decreased funding of \$98,000 for non-recurring project for the City of Monroe to develop and provide customized workforce training programs to existing and prospective Louisiana businesses. Decreased funding of -\$1,114,000 for non-recurring carry forward for five (5) Economic Development Award Program projects. These projects were for the financing of publicly owned infrastructure for industrial or business development projects that promote economic development, and were tied to the creation and/or retention of jobs. Decreased funding of -\$6,000,000 for non-recurring UNO (University of New Orleans)/Navy Phase 1 project. This completes a four (4) year \$24 million project that constructed two (2) buildings for the new Information Systems for Navy Military Human Resources' records, which created 1,000 permanent jobs. Increased funding of \$5,800,000 for the La. Technology Park and Solid Systems Incorporated. Increased funding of \$5,000,000 for EDAP (Economic Development Award Program) Information Technology Projects. Increased funding of \$1,500,000 to the City of Bogalusa for the Service Zone customer technical support center project. These funds will reimburse 50% of the estimated building cost. The company is anticipated to provide 300 jobs within the first two years of operation. Increased funding of \$1,000,000 for advertising and marketing related to SuperBowl XXXVI, which will be held January 27, 2002 in New Orleans. Increased funding of \$200,000 for the Louisiana Technology Transfer Office.

PROFESSIONAL SERVICES

\$50,000	Operations of the State of Louisiana, Technology Center Office, John Stennis Space Center (a NASA facility), to coordinate and direct technology transfer projects with Louisiana businesses and industries
\$10,000	Legal services in personnel matters, training and other professional services as deemed required for the overall effectiveness and efficiency of the Department
\$100,000	Implementation of Louisiana Vision 20/20 - focus on integrating the districts through their Comprehensive Economic Development Strategies (CEDS) process
\$7,500	Automation of card catalog in order to make collection more accessible to users
\$31,395	Specialized marketing research
\$7,236	Information Clearinghouse Data Base Development
\$49,200	Contract to maintain the military segment of the state economy
\$8,000	Small and Emerging Business Services - customization of Goldmine database or another database program with training
\$263,331	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$300,000	To provide funding to the State Office of Small Business Development Centers and other small and emerging businesses, by subcontracting services with certified public accountants, management consultants, marketing specialists and other technical service providers. This will provide a funding source to produce a curriculum of telecourses for the Louisiana Contractors Accreditation Institute to benefit small Louisiana contractors. Funding will be provided for small and emerging businesses to participate in specialized workshops. The first of two workshops emphasize entry strategies for start-up ventures through a 32 hour course. The second workshop works with business owners on planning, researching, and evaluating the strategic growth and operation aspects of their businesses. The two workshops culminate in the development of a viable business plan by each entrepreneur
\$4,917	Small and Emerging Business Development Special Marketing Activities - Provides funding for special ceremonies and activities to promote the continued economic activity and interest in Louisiana markets (e.g. Trade Fairs, Recognition Program for outstanding small and emerging business firms, etc.)
\$75,000	Provide funding for administrative services which will facilitate the planning, coordinating and performance of economic education activities of the state Economics America Office and by university and college based Centers for Economic Education. Provides for the ongoing operations and mission of the Louisiana Council for Economic Education; i.e., to improve the level of economic literacy of Louisiana citizens through EconomicsAmerica programs. Funding is provided as a grant to the Louisiana Council for Economic Education, a 501 (3) Corporation whose mission is to improve the level of economic literacy of Louisiana citizens. Funding will pay approximately half of the expenses of the State Office of the Council. This includes salaries for two employees, travel, operating expenses, and supplies. Office space is provided by LSU
\$5,800,000	Louisiana Technology Park and Solid Systems Inc.
\$5,000,000	EDAP (Economic Development Award Program) for Information Technology Projects
\$6,250,000	University of New Orleans Research and Technology - Phase II for the construction of a third building of 100,000 square feet; and a 1,000 car parking garage; this is year four (4) of a four (4) year \$25 million commitment
\$1,000,000	Marketing Education Grant - to promote and support entrepreneurship in Public Schools
\$6,500,000	Workforce Development and Training - to provide customized workforce training to existing and prospective LA businesses
\$2,000,000	Small Business Surety Bonding - to provide financial assistance to small businesses to mitigate gaps in the state surety bond-market
\$1,500,000	City of Bogulasa for the Service Zone customer technical support center project
\$1,000,000	Super Bowl XXXVI
\$14,477	Legislative Auditor expenses
\$200,000	Louisiana Technology Transfer Office (LTTO)
\$315,000	La. Partnership for Technology
\$3,000,000	University of New Orleans Research and Technology (UNO) - Navy Phase III for the construction of a fourth building of 100,000 square feet housing 550 employees; this is year three (3) of a four (4) year \$12 million commitment
\$100,000	La. Business Technology Center
\$33,059,394	SUB-TOTAL OTHER CHARGES
Interagency Transfers:	
\$6,877	Pro-rata share of the cost of operations of the Department of Civil Service
\$48,095	Ombudsman activity to the Office of the Governor
\$1,310	Pro-rata share of the cost of operations of the State Treasury

\$1,028	Pro-rata share of the cost of operations of the Comprehensive Public Training Program (CPTP)
\$2,584	Pro-rata share of the cost of operations of the Uniform Payroll System

\$59,894	SUB-TOTAL INTERAGENCY TRANSFERS
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\$33,119,288	TOTAL OTHER CHARGES
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ACQUISITIONS AND MAJOR REPAIRS

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2001-2002.